



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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(213) 974-1101
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October 7, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**FIVE-YEAR OPTION TO RENEW LEASE NO. 74513
SHERIFF DEPARTMENT
3235 LAKEWOOD BOULEVARD, LONG BEACH
(FOURTH DISTRICT) (3 VOTES)**

SUBJECT

This recommendation is to exercise a five-year option to renew a ground lease with the City of Long Beach for the Sheriff Department's (Sheriff) Aero Bureau for 4.39 acres of land at the Long Beach Municipal Airport.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the lease renewal is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.
2. Exercise the option to renew the lease for a five-year term with the City of Long Beach at the Long Beach Municipal Airport for a ground lease consisting of 4.39 acres located at 3235 Lakewood Boulevard, Long Beach, for the Sheriff at an annual first year rent not to exceed \$146,625. The rental cost is 100 percent net County cost.

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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Sheriff Aero Bureau provides aerial reconnaissance and rescue operations throughout the County. In 1971, the County of Los Angeles (County) initially leased 3.36 acres at the Long Beach Municipal Airport for the Sheriff Aero Bureau operation. The original lease was for 20 years with six options to renew for additional five-year terms. During the initial lease term, the County built its own office building and hangars and refurbished the building interior in 1984. A new fuel tank farm was installed in 2002. The split-service lease was amended in June 2003, to include an additional 1.03 acres of ramp space increasing the total leased area to 4.39 acres which relieved crowded conditions on the ramp. The fourth term was exercised in October 2003, and this fourth term will expire on October 13, 2008.

Approval of the proposed renewal will extend the term of the lease for five years and will allow the Sheriff to continue occupying 4.39 acres of land at the Long Beach Municipal Airport which includes ramp space, a fuel tank farm, parking, landscaped areas, a service hangar with office space and a storage hangar. Approval of the option will enable the Sheriff to maintain existing Aero Bureau operations at this location.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we invest in public infrastructure in order to strengthen the County's fiscal capacity. The proposed lease supports this strategy (Goal 4, Strategy 2, Objective 2) with the continued centralization of Aero Bureau operations to better serve constituents. This proposed lease complies with the Strategic Asset Management Principles, as shown in Attachment A.

FISCAL IMPACT/FINANCING

The cost for the first year of this renewal shall not exceed \$146,625 based on the terms and conditions of the lease. The rental cost is 100 percent net County cost.

3235 LAKEWOOD BOULEVARD, LONG BEACH	EXISTING LEASE NO. 74513	FIVE-YEAR LEASE OPTION	CHANGE
Area (acres)	4.39 acres	4.39 acres	None
Term	10/14/2003 – 10/13/2008	10/14/2008 – 10/13/2013	+ 5 years
Annual Base Rent	\$142,222	\$146,625	+ \$4,403
Parking	County provides and allocates as appropriate	County provides and allocates as appropriate	None
Cancellation	County may cancel anytime upon 90 days prior written notice.	County may cancel anytime upon 90 days prior written notice.	None
Option to Renew	Six 5-year options	Fifth 5-year option is being exercised	One 5-year option remains
Rental Adjustment	Annual rent is subject to a CPI adjustment not to exceed 4 percent	Annual rent is subject to a CPI adjustment not to exceed 4 percent	3.10 percent increase

Sufficient funding for the proposed five-year lease extension is included in the FY 2008-09 Rent Expense budget and will be charged back to the Sheriff.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed exercise of the five-year option provides for 4.39 acres of ground lease space. The 4.39 acre parcel consists of 3.73 acres of ramp space, a fuel tank farm, parking, landscape areas, two hangars totaling 26,683 square feet and an attached office building comprised of 3,701 square feet. The lease also contains the following provisions:

- The renewal commences on October 14, 2008, and ends five years thereafter;
- There are no tenant improvements in this lease renewal;
- An increase over the previous year's rent is 3.10 percent;

- Parking for the staff and visitors is available on-site;
- The Lease is a split-service lease whereby the County pays for all utilities, maintenance and janitorial services and the lessor pays taxes;
- County has the right to cancel anytime by giving 90 days prior written notice.

Staff did not conduct a search for an alternate site due to the special use and unique characteristics of the improvements associated with the requirements for the Aero Bureau operation. Attachment B shows the County-owned airport properties in the surrounding Los Angeles County area. There are no County-owned or leased facilities available that can meet the operating requirements of the Aero Bureau.

The Sheriff has been approved for 9,755 square feet of office space. However, the Sheriff desires to continue operations under the lease at the existing location in the existing 3,701 square feet of office space. The special use and unique characteristics of the improvements associated with the operation of the Aero Bureau necessitates that the Sheriff remain at the existing location at this time.

NEGATIVE DECLARATION/ENVIRONMENTAL IMPACT REPORT

The CEO has made an initial study of environmental factors and has concluded that this project is exempt from CEQA pursuant to Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no disruption of services to the public as this is an exercise of an option to renew the lease term with no other changes to the terms and conditions of the lease.

The Honorable Board of Supervisors
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CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return two certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division, 222 South Hill Street, 4th Floor, Los Angeles, CA 90012.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', with a stylized flourish at the end.

WILLIAM T FUJIOKA
Chief Executive Officer

WTJ:DL:JSE
CEM:TS:hd

Attachments (2)

c: County Counsel
Sheriff Department

3235LakewoodSheriff.b

**SHERIFF DEPARTMENT
AERO BUREAU AT LONG BEACH AIRPORT
Asset Management Principles Compliance Form¹**

1.	Occupancy	Yes	No	N/A
	A Does lease consolidate administrative functions? ²			x
	B Does lease co-locate with other functions to better serve clients? ²			x
	C Does this lease centralize business support functions?			x
	D Does this lease meet the guideline of 200 sq. ft of space per person? ²			x
2.	Capital			
	A Is it a substantial net County cost (NCC) program? The lease cost for the space is 100 % net County cost.	x		
	B Is this a long term County program?	x		
	C If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		x	
	D If no, are there any suitable County-owned facilities available?		x	
	E If yes, why is lease being recommended over occupancy in County-owned space?			x
	F Is Building Description Report attached as Attachment B?	x		
	G Was build-to-suit or capital project considered? The Sheriff desired to retain existing space.		x	
3.	Portfolio Management			
	A Did department utilize CAO Space Request Evaluation (SRE)?	x		
	B Was the space need justified?	x		
	C If a renewal lease, was co-location with other County departments considered?		x	
	D Why was this program not co-located?			
	1. ___ The program clientele requires a "stand alone" facility.			
	2. <u>x</u> No suitable County occupied properties in project area.			
	3. <u>x</u> No County-owned facilities available for the project.			
	4. ___ Could not get City clearance or approval.			
	5. ___ The Program is being co-located.			
	E Is lease a full service lease? The Airport Authority insisted on a split-service lease and will only pay taxes.		x	
	F Has growth projection been considered in space request?	x		
	G Has the Dept. of Public Works completed seismic review/approval? The lease is for ground space – the County is not leasing the improvements/ building constructed by the County.		x	
	¹ As approved by the Board of Supervisors 11/17/98			
	² If not, why not?			

**SPACE SEARCH
IMPROVED COUNTY-OWNED AIRPORT PROPERTIES**

LACO	FACILITY NAME/ADDRESS	SQ FT GROSS	SQ FT NET		LAND AREA ACRE	SQ FT AVAILABLE
4135	BRACKETT FIELD 1615 W. McKinley Ave. La Verne 91750	433,435	393,510	OWNED	131.71	Only undeveloped land is available. Development cost too high.
0370	COMPTON AIRPORT 901 W. Alondra Blvd. Compton 90220	246,960	228,913	OWNED	74.27	None available.
X792	EL MONTE AIRPORT 4233 N. Santa Anita Ave. El Monte 91731	302,873	280,554	OWNED	49.50	Undeveloped north end available, but would require condemnation of homes in expanded flight path to meet Aero Bureau requirements.
4549	FOX AIRFIELD 4555 W. Ave. G Lancaster 93536	80,866	63,716	OWNED	512.05	Majority of undeveloped area is available. High development cost. Airfield is not centrally located or adjacent to metro area.
X764	WHITEMAN AIRPORT – ABLE AIR OFFICE 12653 Osborne St. Pacoima 91331	486,140	479,718	OWNED	180.98	Very limited area available. Insufficient to meet Aero Bureau needs.